

Trust

Alaska Mental Health
Trust Authority

Resource Management Committee
Quarterly Meeting
July 28, 2021

Meeting Agenda



Meeting: Resource Management Committee
Date: July 28, 2021
Time: 2:00pm – 4:30pm
Location: Online via webinar and teleconference
Teleconference: (844) 740-1264 or toll call (415) 655-0003/ Meeting Number: 177 095 4986 # /
Attendee Number: #
<https://thetrust.webex.com/thetrust/j.php?MTID=m6a66d4a6b4d41ebe0096624fdee7cb0e>
Trustees: John Sturgeon (Chair), Rhonda Boyles, Verné Boerner, Chris Cooke, Brent Fisher, Anita Halterman

Wednesday July 28th, 2021

1. Call to Order (John Sturgeon, Chair)
 - Announcements
 - Approval of Agenda
 - Ethics Disclosure
 - Approval of Minutes
 - 2021-04-21
2. Executive Director Report
3. Approval(s):
 - a. Item 1 – MOU Updates (Wyn Menefee)
4. Consultation(s):
 - a. Item A – Disposal of Trust Parcel SM-1024 – MHT 9200790 (Jeff Green)
5. Update Presentations
 - a. Icy Cape
 - b. Community Park Loop
 - c. Land Exchange
6. Presentation: Mining Claims Education (Hollie Chalup)
7. Trustee Comments
8. Adjourn

ALASKA MENTAL HEALTH TRUST AUTHORITY
RESOURCE MANAGEMENT COMMITTEE MEETING
April 22, 2021
12:15 p.m.
WebEx Videoconference/Teleconference

Originating at:
3745 Community Park Loop, Suite 120
Anchorage, Alaska

Trustees Present:

John Sturgeon, Chair
Rhonda Boyles
Chris Cooke
Brent Fisher
Verne' Boerne
Annette Gwalthney-Jones
Anita Halterman

Trust Staff Present:

Mike Abbott
Steve Williams
Carol Howarth
Miri Smith-Coolidge
Allison Biastock
Luke Lind
Valette Keller
Kat Roch
Becky Carpenter
Marisol Miller
Josephine Stern
Sean O'Guinn

Trust Land Office:

Sarah Morrison
Jusdi Doucet
David MacDonald
Karsten Eden
Hollie Chalup
Paul Slenkamp
Katie Vachris

Also participating:

Jack Fowler; Kristin Vandagriff.

PROCEEDINGS

CALL TO ORDER

CHAIR STURGEON called the meeting to order and began with a roll call. With all the trustees present, he asked for any announcements.

TRUSTEE GWALTHNEY-JONES stated that she had a prior meeting and would have to leave early.

CHAIR STURGEON asked for any other announcements. There being none, he moved to approval of the agenda.

APPROVAL OF AGENDA

MOTION: A motion to approve the agenda was made by TRUSTEE BOERNER; seconded by TRUSTEE HALTERMAN.

After the roll-call vote, the MOTION WAS APPROVED. (Trustee Boyles, yes; Trustee Boerner, yes; Trustee Cooke, yes; Trustee Fisher, yes; Trustee Gwalthney-Jones, yes; Trustee Halterman, yes).

ETHICS DISCLOSURES

CHAIR STURGEON asked for any ethics disclosures. Hearing none, he moved to the approval of the minutes. He asked for a motion for the January 7, 2021, meeting.

APPROVAL OF MINUTES

MOTION: A motion to approve the January 7, 2021, minutes was made by TRUSTEE COOKE; seconded by TRUSTEE HALTERMAN.

After a roll-call vote, the MOTION WAS APPROVED. (Trustee Boerner, yes; Trustee Boyles, yes; Trustee Gwalthney-Jones, yes; Trustee Cooke, yes; Trustee Fisher, yes; Trustee Halterman, yes).

CHAIR STURGEON stated that the executive director's report would be made by Jusdi Doucet as Mr. Menefee is not here.

EXECUTIVE DIRECTOR'S REPORT

MS. DOUCET stated that she is the deputy director at the Trust Land Office and was honored to fill in for Mr. Menefee. She continued that the TLO is doing some exciting things outside of Alaska and around the state. She talked about the staff trip to Texas, Utah and Washington where the brokerage teams were met and we toured the commercial real estate buildings and absorbed the first-hand knowledge of the experts on the ground. She added that the vacancies are very competitive in their current submarkets, and the teams are working hard on deals; all while ensuring the buildings are managed fiscally and responsibly. She continued to Alaska and Fort Knox and stated that SGMI would be signing the Gil project agreements this week. She explained that Gil is a satellite open pit gold recovery project 11 miles east of the Fort Knox mine, and ore from Gil would be trucked to the Fort Knox mill, which will utilize the Gil easement. She stated that Usibelli's production of coal was slightly higher than forecasted for the

first quarter. The Trust continues to benefit from Usibelli's work as a result of the Healy coal unitization where the Trust receives a proportional royalty value based on the acreage of Trust land within the unit. Continued her presentation to Homer and talked about the competitive leasing program which is a new program and has taken off to a great start. More parcels are in the works of being appraised and set up for inclusion in the competitive leasing program for this summer. She talked about the success of the over-the-counter land sale program. She moved to the land exchange and stated anticipation of the final conveyance between May and June of this year. She continued that the final appraisal of land values was completed, and the values were accepted by both parties. She could not share more due to strict confidentiality until the U.S. Forest Service appraisal review report was complete. She added that once the decision is made on equalization of the land values, the conveyance process can proceed. She moved to Icy Cape and asked Karsten Eden to provide a progress report on the exploration project.

DR. EDEN gave a brief update on the progress made on the Icy Cape gold industrial heavy minerals project that is anticipated to be a five-year program. He explained the chart that was divided into categories. The first was planning where about 50 percent of the project had been planned which includes all the fieldwork that will start next month. The second category, procurement, has been 50 percent completed which included the barge service, the sample processing facility, construction, and engineering. The third is fieldwork with 3 percent completed. There is a contractor on site who did an inspection and layout of the access trails that will be put in this year. The next category is processing and assaying, and after three months, it is on schedule with 25 percent completed. He stated that the gold industrial heavy minerals analytical results are very encouraging. He added that all is right on schedule, and maybe even a bit ahead.

CHAIR STURGEON stated appreciation for the good presentations. He moved to Item 1 of the approval items that the Board was requested to act on. He asked for the motion.

MOTION: A motion that the Resource Management Committee recommends that the Trust Authority Board of Trustees direct the TLO to consider the use of some Trust lands at Community Park Loop for the beneficiary-oriented uses with below-market rents and/or other revenues. Specific lease arrangements will still require trustee approval at a later date as described in 20 AAC 40.710 and 11 AAC 99 was made by TRUSTEE BOERNER; seconded by TRUSTEE GWALTHNEY-JONES.

CHAIR STURGEON asked Ms. Doucet to explain the motion.

MS. DOUCET stated that the land is a mix of vacant, developable land, vacant wetlands, and lands occupied by beneficiary-serving organizations with an assortment of lease arrangements that predate the Trust's ownership of the land. She continued that the Trust has not consistently applied a comprehensive, long-term plan to develop or fully utilize its holdings at Community Park. The result was that the TLO embarked on a master planning effort of the Community Park lands and have employed ECI Alaska as the contract for this effort. The consultation today captures a piece of that master planning effort. She added that the TLO's mission is to maximize revenue from Trust land and in seeking to complete the master planning process the outstanding item is if the Trust should forego revenue on three parcels of land within Community Park, thereby preserving and perpetuating beneficiary-oriented use. The TLO is seeking the Board of

Trustees to direct the considered use of the three parcels for beneficiary-oriented uses with below-market rents or other revenues to complete the master planning effort. She continued describing the conditions of the assets. She talked about the three expiring leases and stated that the ECI and the TLO conducted an analysis of the three options: Sell the asset; offer below-fair-market lease rates; and require fair-market lease rates. She asked Mr. Fowler with ECI to continue.

MR. FOWLER explained the three proposed options. The strength of Option 1, selling the asset, is that it would provide the quickest route to revenue. The weakness is that the beneficiaries and beneficiary-serving organizations on site would lose site control. Another weakness is the anticipated increase in value of the parcel. The strength of Option 2, offer below-fair-market lease rates is that it would provide immediate and continued benefit to the Trust beneficiaries. The weakness is that these parcels would be limited from revenue-generating opportunities. He continued that Option 3 is very similar to Option 2, but instead of below-fair-market lease rates it would be about requiring fair-market lease rates. The strength would almost triple revenue, and the weakness is the impact to the partners would be substantial.

MS. DOUCET moved to the executive summary for a visualization of the main points, and concluded the presentation.

CHAIR STURGEON stated that the presentation was very well done and asked the trustees for any questions.

TRUSTEE BOERNER shared that she was in support of the motion as it was stated in the recommendation that was put forward. She added that it was a great presentation.

TRUSTEE COOKE agreed and stated that it does authorize the TLO to consider using the land for beneficiary-oriented purposes.

MR. ABBOTT added that all three organizations would like to extend their current leases at below-market rates. He added that all three are nonprofit organizations, and are primarily dedicated to serving Trust beneficiaries.

TRUSTEE HALTERMAN encouraged each of the applicants to present information about the fiscal impacts of the development of their programs over the years on their budget so an evaluation on their present needs could be evaluated versus their needs when the original leases were executed. Her main concern being that all of these community agencies are great agencies and are beneficiary-serving agencies.

CHAIR STURGEON asked for any further questions or comments.

TRUSTEE HALTERMAN called the question.

After the roll-call vote, the MOTION WAS APPROVED. (Trustee Boyles, yes; Trustee Boerner, yes; Trustee Cooke, yes; Trustee Fisher, yes; Trustee Gwalthney-Jones, yes; Trustee Halterman, yes; Trustee Sturgeon, yes.)

CHAIR STURGEON called a break.

(Break.)

CHAIR STURGEON called the meeting back to order and moved to the four consultations.

CONSULTATIONS

CHAIR STURGEON asked for the motion to be read into the record.

MOTION: A motion that the Resource Management Committee recommends that the Alaska Mental Health Trust Authority Board of Trustees concur with the changes proposed to the Resource Management Strategy, 4th Edition, was made by TRUSTEE HALTERMAN; seconded by TRUSTEE COOKE.

CHAIR STURGEON recognized Ms. Doucet.

MS. DOUCET stated that the TLO is required by regulation to develop and maintain a long-term asset management strategy. She explained that the TLO meets this requirement through resource management of the RMS which has progressed over time in an interim nature. It began as a five-year investment plan focusing on real estate acquisition and development which was adopted in July 2013. She continued that the plan was an analysis of current events and not truly a strategy for managing assets. She added that the overall goal of the RMS is to provide strategy and guidance to the TLO for management of the Trust's nonliquid asset base. With a refocused strategy in the commercial real estate, it was appropriate to update the RMS, and the whole document has been brought current. She went through the fourth edition modifications that were made considering the financial requirements of the Trust, both operational and programmatic, economic and market conditions, and the Trust's Asset Management Policy Statement, known as AMPS. She explained the changes as she went along.

TRUSTEE BOERNER asked if the language under this did not conflict with the motion that was just passed regarding specific lease arrangements.

MS. DOUCET assured that it did take into account the action that was just approved, and it aligns with the motion that was just passed. She continued going through the modifications, explaining as she went through. In closing, she noted that this RMS fourth edition will supersede any version of the past. Post consultation, the TLO will next write a best-interest decision and solicit public comments before finalizing any RMS revisions.

CHAIR STURGEON asked for any comments or questions.

MS. HALTERMAN commended staff because this was a huge undertaking to revise regulations in this manner, and they have done an amazing job of presenting this information.

CHAIR STURGEON also thanked them for an outstanding job and called the vote.

After the roll-call vote, the MOTION WAS APPROVED. (Trustee Boyles, yes; Trustee Boerner, yes; Trustee Cooke, yes; Trustee Fisher, yes; Trustee Gwaltney-Jones, excused;

Trustee Halterman, yes; Trustee Sturgeon, yes.)

CHAIR STURGEON moved to Item B and asked for a trustee to read the proposed motion into the record.

MOTION: A motion that the Resource Management Committee recommends that the Alaska Mental Health Trust Authority Board of Trustees concur with the decision to issue a negotiated mineral lease for exploration and development at the Golden Summit project near Fairbanks, Alaska on parcel F70015 was made by TRUSTEE COOKE; seconded by TRUSTEE BOERNER.

CHAIR STURGEON recognized Ms. Doucet.

MS. DOUCET stated that this consultation is Freegold Ventures which holds the lode gold Golden Summit Project, and in 2016 they released a preliminary economic assessment with favorable results. This consultation proposes a negotiated mineral lease to facilitate ongoing exploration of that project. She introduced Hollie Chalup, the mineral and energy resource manager, to walk through it.

MS. CHALUP stated that Freegold Ventures has been conducting exploration of the Golden Summit area for several decades now. In an effort to continue to explore and acquire land for advancing this project, Freegold is looking at expanding their Trust land holding in the Golden Summit area. There are currently plans to also conduct drilling on Trust land beginning in several weeks. She continued that being able to facilitate a lease for this area would further advance their drilling plans for 2021, which would also help support an update to the 2016 preliminary economic assessment which is planned in a year or two. She added that there are significant updates that need to be made based on 2020 and 2021 drilling results which will give the Trust a much better understanding of the resource-generating potential of royalties on these properties. There also does not appear to be any environmental resources that would impact their ability to develop the parcel. She stated that by issue of lease on this land their presence would increase. Freegold would be actively doing map and exploration work this summer and would also increase the oversight and the boots-on-the-ground perspective to prevent folks from trespassing on the Trust mineral estate. She explained the options and stated that facilitating exploration and, specifically, drilling work on this parcel would be an asset to the Trust.

CHAIR STURGEON called the vote.

After the roll-call vote the MOTION WAS APPROVED. (Trustee Boyles, yes; Trustee Boerner, yes; Trustee Cooke, yes; Trustee Fisher, yes; Trustee Gwaltney-Jones, excused; Trustee Halterman, yes; Trustee Sturgeon, yes.)

CHAIR STURGEON moved to the next motion and asked for a trustee to read the proposed motion for Item C.

MOTION: A motion that the Resource Management Committee recommends that the Alaska Mental Health Trust Authority Board of Trustees concur with the decision to issue a negotiated mineral lease for exploration and development at the Ester Dome

Project and Trust lands described and attached hereto in Exhibit D surrounding Fox Pedro Dome, and Cleary Summit was made by TRUSTEE COOKE; seconded by TRUSTEE BOYLES.

CHAIR STURGEON asked Ms. Chalup to give the explanation for this proposal.

MS. CHALUP stated that this project is all about data and reconnaissance rather than advancing a drill target or a known prospect into a developing mine. She continued that this was a much larger lease area encumbering both the Ester Dome Mineral Project lands and the area near Pedro Dome and Cleary Summit. This is about 10,200 acres, and all of these parcels own both the mineral estate and the surface estate. This agreement is all about acquiring the data for the minerals prospects that are on Trust land. The exploration work is contingent on the applicant successfully acquiring State, Federal, and local authorizations. She added that the land is currently undeveloped, vacant land, but has undergone explorations. Having the dataset as a Trust asset will help with marketing the property in the future as well.

CHAIR STURGEON thanked Ms. Chalup on a well-prepared and well-presented report. He asked for any comments, questions or concerns. There being none, he did a roll-call vote.

After the roll-call vote, the MOTION WAS APPROVED. (Trustee Boyles, yes; Trustee Boerner, yes; Trustee Cooke, yes; Trustee Fisher, yes; Trustee Gwaltney-Jones, excused; Trustee Halterman, yes; Trustee Sturgeon, yes.)

CHAIR STURGEON moved to the next motion and asked for a trustee to read the proposed motion.

MOTION: A motion that the Resource Management Committee recommends that the Alaska Mental Health Trust Authority Board of Trustees concur with the disposal of the young growth timber in the West Naukati area through competitive timber sale on Trust land on Prince of Wales Island was made by TRUSTEE COOKE; seconded by TRUSTEE HALTERMAN.

CHAIR STURGEON asked Ms. Doucet to explain the proposed motion.

MS. DOUCET stated that this timber sale is located in West Naukati on exchanged lands, and we plan on a harvest-marketing agreement. She explained that this is the first young-growth sale from exchange lands, which is an indication that the transition to young growth harvest is beginning. She noted that this is an important sale in keeping the timber industry alive in Alaska. She introduced Paul Slenkamp, the senior resource manager down in Ketchikan.

MR. SLENKAMP stated that this is the first young-growth timber sale that is being sold under the land exchange program. He continued that, currently, there is a young growth sale that is operating in Tolstoy over by Thorne Bay on the other side of Prince of Wales Island. He added that this is primarily timber that was harvested either around World War II or prior; about 65 years of age is the optimum harvest age of this young-growth timber. This area is also under contract to Viking Timber for the old-growth component which is currently being harvested. There will be two operations in this unit, and it has been difficult to actually ascertain the actual

unit boundaries because the mapping and such has not been as thorough as it could have been. He stated that it will take a bit of research and ground work to actually come up with a good harvesting strategy. There is interest from industry, and he noted that this old-growth timber sale is one of the primary economic engines on Prince of Wales. It is keeping the Viking Lumber company operating, and there are over 100 jobs that are being supplied to the local economy there. It has been quite successful with very little negative feedback.

MR. ABBOTT added that the timber exchange includes the lands that have been talked about and was heavily vetted by the conservation community. There was a clear understanding that whatever lands the Trust received through the exchange included lands that will be actively harvested.

CHAIR STURGEON called the vote.

After the roll-call vote the MOTION WAS APPROVED. (Trustee Boyles, yes; Trustee Boerner, yes; Trustee Cooke, yes; Trustee Fisher, yes; Trustee Gwaltney-Jones, excused; Trustee Halterman, yes; Trustee Sturgeon, yes.)

CHAIR STURGEON thanked Mr. Slenkamp and Ms. Doucet for the great job presenting and stated that a lot was learned. Next on the agenda was Trustee Comments.

TRUSTEE COMMENTS

TRUSTEE HALTERMAN thanked staff for the phenomenal amount of work done that went into the presentations. It was a very informative conversation, and she feels well prepared for the meetings. She stated appreciation for the amount of work it takes to get the trustees where they need to go.

TRUSTEE FISHER echoed the sentiments. He stated that the presentations have been great and thanked everyone that participated today.

TRUSTEE COOKE stated that he continues to be impressed with not only the staff's work, but also with hearing some new voices from the TLO and the participation of the board. He thanked everyone for their interest, their participation, the effort that people have put into preparing for these meetings. He thanked them for a good meeting.

TRUSTEE BOERNER appreciated the trustee comment period and thanked them for having it on the agenda. She also thanked the staff and trustees for the great meeting. She shared that her son, the youngest, is getting ready to graduate. She added that in her position as president of ANHB and as a trustee she felt a real obligation to continue building her own capacity in order to better fulfill her responsibilities. She stated that she applied for a Ph.D. program in environmental epidemiology and was humbled, honored, and excited to report that she was accepted to the Ph.D. program would be starting in August.

CHAIR STURGEON congratulated her on her acceptance.

TRUSTEE BOYLES stated that with all of the challenges the State faced and is facing that it was a ray of sunshine to see the gold investments exploration and mining and to see timber

development. She was pleased to see the motions pass and the work done by the TLO. She also congratulated Trustee Boerner.

CHAIR STURGEON also stated appreciation for all the work put into the meetings and asked Mr. Abbott for anything further.

MR. ABBOTT thanked all for all of the support. A lot was accomplished which will make the May meeting go much smoother.

CHAIR STURGEON asked for a motion to end the meeting.

TRUSTEE HALTERMAN congratulated Trustee Boerner on her acceptance.

MOTION: A motion to adjourn the meeting was made by TRUSTEE HALTERMAN; seconded by TRUSTEE COOKE.

There being no objection, the MOTION WAS APPROVED.

(Resource Management Committee meeting adjourned at 2:58 p.m.)



To: John Sturgeon, Chair
Resource Management Committee
From: Wyn Menefee
Date: 7/28/2021
Re: Item 1 - DNR/AMHTA MOU Revision – Item 1
Fiscal Year: 2022

Approval

Proposed RMC Motion:

“The Resource Management Committee recommends that the Alaska Mental Health Trust Authority board of trustees approve the proposed revisions to the 2005 Memorandum of Understanding between the Department of Natural Resources and the Alaska Mental Health Trust Authority.”

Background:

Transaction/Resource: In agreement with relevant statutes and regulations, the Department of Natural Resources (DNR) manages Trust owned land and resources for the Alaska Mental Health Trust Authority (AMHTA). A memorandum of understanding between the two entities was created in 1995 and revised in 2005 to clarify the principles that govern the relationship between the two entities. The MOU works as an internal state contract between the entities. The Department of Natural Resources created the Trust Land Office (TLO) which is responsible to manage the Trust owned land and resources.

DNR, AMHTA, and the TLO have worked to revise language in the MOU to adjust current Trust charters, legal understandings, and further clarify duties between the entities.

Property Description/Acreage/MH Parcel(s): No particular parcels but affects all Trust owned lands.

General Background: AS 37.14.009 directs the AMHTA to contract with DNR to manage the land assets of the Trust. AS 38.05.801 requires the DNR to manage Trust land consistent with the trust principles imposed by the Alaska Mental Health Enabling Act. AS 44.37.050 requires that DNR create a separate unit responsible to manage Trust land, which is the TLO. 11 AAC 99 are regulations created by DNR to manage Trust lands under the authority of the Executive Director of the TLO. The MOU is consistent with existing laws.

This MOU confirms the contractual relationship and obligations between the parties while emphasizing the positive relationship between the parties based on collaboration, consultation, and cooperation to achieve the purposes of the Trust.

The revisions to the MOU specifically call out more of the duties of the TLO rather than only speaking of DNR and includes the Executive Director as a signatory on the MOU. It further clarifies the relationship between the CEO and the DNR Commissioner in recruitment and management of the Executive Director of the TLO. It clarifies the budget process and duties. More detail was added about Trust land management principles and certain actions of the TLO as stated in law. Adds clarity to the relationship between the Resource Management Strategy and the Trust's Asset Management Policy Statement. It clarifies the management of the commercial real estate. There is clarification about external communications and protocol. Lastly it addresses coordination when restructuring duties or organizational structure.

Anticipated Revenues/Benefits: The relationship of the parties is unique in state government and often is misunderstood. It is important to have clarification of the obligations and relationships of the entities involved in this MOU. Having this MOU helps to clarify the intended contractual relationship between the TLO, DNR, and AMHTA through transitions of new employees in the various positions.

Anticipated Risks/Concerns: None. The MOU has provisions that allow for future changes to the MOU.

Project Costs: None

Other Considerations: None

Due Diligence: DNR, TLO and AMHTA discussed and agreed to all the proposed changes and Department of Law concurred with the proposed changes.

Alternatives: Make no changes. Although this is possible, it is not recommended because the proposed changes add clarity that are beneficial to all parties.

Trust Land Office Recommendation: The TLO recommends the board approve and sign the revised MOU.

Applicable Authority: AS 37.14.009, AS 38.05.801, AS 44.37.050, and 11 AAC 99.

Trust Authority Approval: The motion presented in this briefing document fulfills the approval requirements that are applicable to the transaction.

Exhibit(s):

Exhibit A: 2005 MOU (existing)

Exhibit B: Draft Revised MOU with comments

Exhibit C: Draft Revised MOU clean

Exhibit A : 2015 MOU (Existing)

STATE OF ALASKA
MEMORANDUM OF UNDERSTANDING
BETWEEN THE ALASKA DEPARTMENT OF NATURAL RESOURCES
AND
THE ALASKA MENTAL HEALTH TRUST AUTHORITY

THIS MEMORANDUM OF UNDERSTANDING (MOU) is revised and reaffirmed by and between the Alaska Department of Natural Resources (DNR), and the Alaska Mental Health Trust Authority (the Trust), collectively referred to as “the Parties.”

I. PURPOSE

The purpose of the MOU is to set forth the principles that will govern the relationship between the Trust and DNR. DNR reaffirms its commitment to the terms and conditions established in the settlement and in managing Trust Land to fulfill its duty of loyalty to the Mental Health Trust owed under the Trust Instrument, and recognizes the Trust as its client agency. The Trust reaffirms its commitment to the terms and conditions established in the settlement and to fulfill its duty of loyalty to the Mental Health Trust owed under the Trust Instrument. It is the intent of the Parties to this agreement that the resources governed by this agreement will, pursuant to 11 AAC 99.020(b), be managed “solely in the best interest of the Alaska Mental Health Trust and its beneficiaries”. It is further the intent of the parties to this agreement that the relationship between them be one of collaboration, consultation and cooperation to achieve the purposes of the trust.

II. TRUST INSTRUMENT

Various documents establish and define the relationship between DNR, the Trust, and the Mental Health Trust:

1. The Alaska Mental Health Enabling Act, P.L. 84-830, 70 Stat. 709 (1956), especially Section 202 (the instrument which actually created the Mental Health Trust). The Alaska Mental Health Enabling Act provides for an up to one million acre land grant and provides conditions of administration, including that the Trust assets “shall be administered by (Alaska) as a public trust” and that the “[trust]” lands, income and proceeds shall be managed and utilized in such manner as the Legislature of Alaska may provide.”
2. Sec. 6(k) of the Alaska Statehood Act, P.L. 85-508, 72 Stat. 339 (1958) which confirmed and transferred to the State of Alaska the rights and obligations associated with the Mental Health Trust under the Enabling Act.
3. The Legislature of Alaska has enacted various statutes to establish the manner by which the trust assets shall be managed and utilized (“Settlement Legislation”), including:
 - A. Chapter 66, SLA 1991, sections 2-48, 51, 52, and 58; as amended and repealed by: Chapter 5, FSSLA 1994, sections 2-9, 12-40 (a) and 40(b), 41,

- 43, 46, 47, and 49-51; as further amended and repealed by Chapter 1, SSSLA 11994; and
- B. Chapter 6, FSSLA, 1994, sections 1 and 2; as amended and repealed by Chapter 2, SSSLA 1994.
4. The “Settlement Agreement and Stipulation to Terms of Dismissal,” with attachments, (June 10, 1994), which with the Settlement Legislation embodies the settlement approved by the court in the class action litigation, Weiss V. State, 4FA-82-2208 Civil, establishes certain rights and obligations between DNR, the Trust, and the Mental Health Trust.
 5. The Order, (December 13, 1994), which dismissed the mental health trust litigation, Weiss v. State, 4FA-82-2208 Civil.
 6. The Alaska Administrative Code Title 11, Chapter 99, Management of Alaska Mental Health Trust Land, effective March 31, 1997.

DNR and the Trust agree that the above referenced documents provide the foundation for the administration, management and utilization of Trust Lands and shall collectively be referred to in this MOU as the “Trust Instrument.”

III. AUTHORITY

This MOU is entered into pursuant to the authority of the Trust Instrument.

IV. AGREEMENTS

1. DNR and the Trust Mutually Will
 - A. Develop, maintain and revise regulations, policies and procedures necessary to ensure management and development of Trust Lands in a manner that is consistent with the Trust Instrument. Consistency with the Trust Instrument includes the fulfillment of DNR’s and the Trust’s duty of loyalty to the Mental Health Trust.
 - B. Maintain and revise the “long-term strategy” for Trust Land management adopted in accordance with 11 AAC 99.090(c), with the strategy to be considered a component part of the Trust’s Asset Management Policy Statement. The long-term strategy will be updated from time to time as made necessary by changing circumstances.
 - C. Establish, maintain and revise, as necessary, Trust Land management and development reports to ensure full accountability for management and development actions in a manner that is consistent with the responsibilities of the Parties.
 - D. Annually evaluate the performance of the TLO executive director, with the understanding that the Commissioner will delegate his authority to the Trust on the annual decision to retain the services of the current executive director. In the event that the Commissioner recommends non-retention of the

executive director, the Trust will give due regard to the recommendation of the Commissioner.

- E. Recruit and appoint new executive directors. The Commissioner will delegate his authority to the Trust to select the new executive director in consultation with the Commissioner. The Commissioner will forward the agreed upon candidate to the governor for appointment.
- F. Take actions necessary to align the Trust Land Office of DNR with the Trust Authority office of the Department of Revenue. .
- G. Coordinate on issues needing legislative action.

2. **DNR Will**

- A. Fulfill the duty of loyalty it owes to the Mental Health Trust under the Trust Instrument.
- B. Manage and develop Trust Lands in a manner that is consistent with the Trust Instrument and the priorities established through the Trust's annual budget approval process.
- C. Maintain a separate unit of professional staff dedicated to Trust Land Management and delegate supervision of this unit to the Trust.
- D. Keep complete records of Trust Land actions and revenues in a manner that clearly distinguishes Trust Land actions and revenues from non-Trust Land actions and revenues. To this end, DNR will take actions necessary to prepare for TLO information management systems to be integrated into information management systems of the Trust.
- E. Consistent with applicable regulations and policies, deposit: (a) all revenues derived from Trust Land attributable to corpus into the Mental Health Trust Fund established by AS 37.14.031; and (b) all revenues derived from Trust Land not attributable to the corpus into the Mental Health Trust Settlement Income Account established by AS 37.14.036.
- F. Provide the Trust with an annual budget for review and approval. The budget will be submitted in September of each year along with the annual report for the previous years management and development activities.
- G. Consult with the Trust on a regular basis on significant actions or issues affecting Trust Land management, pursuant to 11 AAC 99.030(d).
- H. Recommend changes to state regulations, policies and procedures that are needed to ensure consistency with the intentions of the Trust Instrument on an ongoing basis.
- I. Recommend Trust Land management and development policies and procedures, and revisions, to the Trust, which are consistent with the adopted long-term strategy, and Asset Management Policy Statement.
- J. Provide advice to the Trust on strategies and priorities for remaining Enabling Act and Settlement land entitlements.
- K. Provide monthly and annual management and development reports to the Trust in a form specified by the Trust.
- L. Provide timely notice to the Trust of any needs for additional revenues to meet unexpected management needs or development opportunities.

M. Maintain an accurate inventory of Trust Land and activities affecting them pursuant to 11 AAC 99.090(b).

3. **The Trust Will**

- A. Respond to DNR requests as appropriate.
- B. Reimburse DNR for services related to Trust Lands performed under the annual budget approved by the Trust, as well as for other DNR actions that are reasonably required as a result of this MOU.
- C. Consider requests for additional revenues when required to meet agreed upon management and development needs.
- D. Administer the Trust consistent with AS 37.14.009 in the interest of the beneficiaries, and ensure that DNR management and development actions are consistent with the regulations adopted by DNR pursuant to AS 38.05.801 and the priorities established in consultation with the Trust.

4. **Other Agreements**

- A. Changes and amendments to the MOU must be agreed upon in writing by the Parties.
- B. The Parties agree to use best efforts to resolve disagreements that arise under this MOU.
- C. Notices shall be sent to the following addresses:

Trust Authority
Chief Executive Officer
Atwood Building
550 West 7th Avenue, Suite 1820
Anchorage, AK 99501

DNR
Commissioner
Alaska Department of Natural Resources
550 West 7th Avenue, Suite 1400
Anchorage, AK 99501-3561

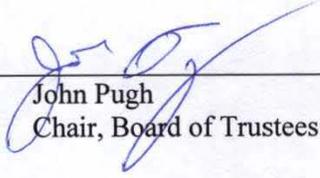
Executive Director
Trust Land Office
718 L Street, Suite 202
Anchorage, AK 99501

AGREED

Dated this 8th day of June, 2005.

Alaska Mental Health Trust Authority

By: _____


John Pugh
Chair, Board of Trustees

Dated this 8th day of June 2005.

Department of Natural Resources

By: _____


Tom Irwin
Commissioner

Exhibit B : Draft Revised MOU with Comments

STATE OF ALASKA
MEMORANDUM OF AGREEMENT
BETWEEN THE ALASKA DEPARTMENT OF NATURAL RESOURCES,
TRUST LAND OFFICE,
AND
THE ALASKA MENTAL HEALTH TRUST AUTHORITY

This Memorandum of Agreement (MOA) is revised and reaffirmed by and between the Alaska Department of Natural Resources (DNR), the Alaska Mental Health Trust Land Office (TLO) and the Alaska Mental Health Trust Authority (AMHTA) collectively referred to as “the Parties”. It constitutes the contract required between DNR and AMHTA pursuant to AS 37.14.009.

PURPOSE

The purpose of the MOA is to set forth the principles that will govern the relationship between AMHTA and DNR. DNR reaffirms its commitment to the terms and conditions established in the Alaska Mental Health Trust lawsuit settlement and to managing Alaska Mental Health Trust land (Trust land) to fulfill its duty of loyalty to the Alaska Mental Health Trust owed under the Trust Instrument, and recognizes AMHTA as its client agency. The AMHTA reaffirms its commitment to the terms and conditions established in the settlement and to fulfill its duty of loyalty to the Alaska Mental Health Trust owed under the Trust Instrument. It is the intent of the Parties to this agreement that the resources governed by this agreement will, pursuant to 11 AAC 99.020(b), be managed “solely in the best interest of the Alaska mental health trust and its beneficiaries”. It is further the intent of the Parties to this agreement that the relationship between them be one of collaboration, consultation and cooperation to achieve the purposes of the Alaska Mental Health Trust.

TRUST DEFINITIONS

The Alaska Mental Health Trust (the Trust) is defined as the sum of all assets owned by the Alaska Mental Health Trust as established by the Alaska Mental Health Trust Enabling Act, P.L. 84-830, 70 Stat. 709 (1956) and the Mental Health Settlement Agreement (June 10, 1994), including cash and non-cash assets.

The AMHTA is the entity charged with administering the Trust, as Trustee, and is governed by a seven member board. (AS 37.14.007, AS 47.30.011, AS 47.30.016)

Commented [MW(1): New section

The Trust Land Office (TLO) is the unit of the Alaska Department of Natural Resources that is charged with managing the Trust's natural resources, land, and other fixed assets. (AS 44.37.050)

AUTHORITY

Commented [MW(2)]: Location moved.

This MOA is entered into pursuant to the authority of the Trust Instrument as defined below.

TRUST INSTRUMENT

DNR and The Trust agree that the following referenced documents provide the foundation for the administration, management and utilization of Trust lands and shall collectively be referred to in this MOA as the "Trust Instrument". Various documents establish and define the relationship between DNR, the TLO and the AMHTA:

- 1) The Alaska Mental Health Enabling Act, P.L. 84-830, 70 Stat. 709 (1956), especially section 202 (the instrument which created the Trust and provides for an up to one million acre land grant and provides conditions of administration, including that assets of the Trust "shall be administered by [Alaska] as a public trust" and that Trust "lands, income and proceeds shall be managed and utilized in such manner as the Legislature of Alaska may provide.")
- 2) Sec. 6(k) of the Alaska Statehood Act, P.L. 85-508, 72 Stat. 339 (1958), which confirmed and transferred to the State of Alaska the rights and obligations associated with the Trust under the Enabling Act.
- 3) The Legislature of Alaska has enacted various statutes to establish the manner by which assets of the Trust shall be managed and utilized ("Settlement Legislation"), including:
 - i) Chapter 66, SLA 1991, sections 2-48, 51, 52 and 58; as amended and repealed by: Chapter 5, FSSLA 1994, sections 2-9, 12-40 (a) and 40(b), 41, 43, 46, 47 and 49-51; as further amended and repealed by Chapter 1, SSSLA 1994; and
 - ii) Chapter 6, FSSLA 1994, sections 1 and 2; as amended and repealed by Chapter 2, SSSLA1994.
- 4) The "Settlement Agreement and Stipulation to Terms of Dismissal", with attachments (June 10, 1994), which together with the Settlement Legislation embodies the settlement approved by the court in the class action litigation, Weiss vs. State, 4FA-82-2208 Civil, and establishes certain rights and obligations between DNR, The Trust and the Alaska Mental Health Trust.
- 5) The Order, (December 13, 1994), which dismissed the mental health trust litigation, Weiss vs. State, 4FA-82-2208 Civil.
- 6) The Alaska Administrative code Title 11, Chapter 99, Management of Alaska Mental Health Trust Land, effective March 31, 1997, adopted pursuant to AS 38.05.801 and the Administrative Procedures Act.

Commented [MW(3)]: Formatting changed but same as before.

Commented [MW(4)]: added

AGREEMENTS

DNR and AMHTA Mutually Will

2 MOA between DNR, TLO, & AMHTA, August 2021

- 1) Support the TLO to develop, maintain and revise regulations, policies and procedures necessary to ensure management and development of Trust lands in a manner that is consistent with the Trust Instrument. Consistency with the Trust Instrument includes the fulfillment of DNR's and AMHTA's duty of loyalty to the Trust.
- 2) Support the TLO to establish, maintain and revise, as necessary, Trust land management and development policies, practices, procedures and reports to ensure full access by AMHTA to information relating to the management of the Trust's land, resources and fixed assets.
- 3) Coordinate activities and decision processes concerning legislation that may affect Trust lands, resources, and fixed assets.
- 4) Consistent with its regulatory authority, recognize TLO's role as the land and resource manager for Trust lands under AS 38.05.801.
- 5) Support the TLO to ensure its obligation to manage Trust land consistent with trust principles.

Commented [MW(5)]: new

Commented [MW(6)]: Combines a few items from before.

Commented [MW(7)]: These are new or newish and call out the TLO more specifically.

The DNR Will

- 1) Fulfill the duty of loyalty it owes to the Trust and its beneficiaries under the Trust Instrument.
- 2) Delegate to the AMHTA, with consultation with the Commissioner, the authority to recruit, appoint, set compensation, evaluate, and retain or not retain the Executive Director of the TLO. The Commissioner will forward the AMHTA selected candidate to the Chief of Staff for appointment or any other personnel matters requiring Governor's Office level approval.
- 3) Maintain a separate unit of professional staff (the TLO staff) dedicated to Trust land management and reporting to the Executive Director of the TLO.
- 4) Provide additional essential administrative support services at the level and with the timeliness required enabling the TLO to fully and efficiently carry out its duties and meet its obligations to the Trust.
- 5) Submit to the AMHTA, through the TLO, for approval, annually as a part of the AMHTA's standard budget process, the administrative support assessment for DNR overhead charges.
- 6) Submit AMHTA-approved operating and capital budget for the TLO to the Governor for approval by the Legislature. Present the budget requests during legislative process.
- 7) Support and collaborate with TLO to migrate records of the Trust's actions and land records to an integrated information management system managed and operated separately by the TLO.
- 8) Notify and request the attendance of the TLO at all meetings by DNR that affect or may impact Trust land and/or projects on Trust land.
- 9) Notify the TLO of all actions involving permitting and potential enforcement of permits to be acted upon by DNR that involve Trust land and/or projects on Trust land.
- 10) Consult with the AMHTA to gain concurrence before adding substantial non-Trust-related work duties to the TLO to ensure completion of Trust duties.

Commented [MW(8)]: This was done mutually between DNR and AMHTA and required AMHTA to give due regard to the recommendation of the Commissioner. Note it is also #5 under AMHTA will...

Commented [MW(9)]: Needs to be in here since ED is still a DNR employee.

Commented [MW(10)]: Clarifies supervision of TLO staff.

Commented [MW(11)]: new

Commented [MW(12)]: new

Commented [MW(13)]: new

Commented [MW(14)]: new

Commented [MW(15)]: New

- 11) DNR Commissioner's Office will consult on matters of Department organization and function as they may impact TLO land management activities.

Commented [MW(16)]: new

The AMHTA Will

- 1) Fund TLO's budget as necessary to accomplish its mission through the AMHTA and Legislative annual budget review and approval process. Reimburse DNR/TLO for services related to Trust lands performed under the annual budget or special project funding approved by AMHTA.
- 2) Reimburse DNR for DNR actions reasonably required as a result of this MOU.
- 3) Review requests, from the TLO, for additional funding when required to effectively manage or develop Trust land to increase its value or generate income consistent with established goals and the Trust Instrument.
- 4) Administer the Trust consistent with AS 37.14.009 in the interest of the beneficiaries and ensure that DNR management and development actions are consistent with the regulations adopted by DNR pursuant to AS 38.05.801 and the priorities established by the TLO in consultation with AMHTA.
- 5) Recruit, appoint, set compensation, evaluate, and retain or not retain the Executive Director of the TLO, with consultation with the DNR Commissioner; further it will not delegate these responsibilities to staff beyond the CEO. The AMHTA will give due regard to recommendations of the DNR Commissioner in these decisions.
- 6) Respond to DNR and TLO requests as appropriate.
- 7) Provide feedback to the TLO during consultations required by regulation.
- 8) Provide priorities and request services from TLO for assistance in program related real estate transactions in alignment with AMHTA programmatic goals.
- 9) The AMHTA CEO will consult with the DNR Commissioner annually during the performance evaluation of the TLO Executive Director.

Commented [MW(17)]: Reflective of the charters adopted by the board which delegates supervision of the ED by the CEO.

Commented [MW(18)]: new

The TLO Will

- 1) Manage and develop Trust lands in a manner that is consistent with the Trust Instrument and in the best interest of the Trust and its beneficiaries.
- 2) Under the authority of the Executive Director consistent with regulation and the Trust Instrument, be responsible for ensuring staffing, planning, organizing, coordinating, and directing all activities necessary to fulfill the powers, duties and purposes of the TLO.
- 3) Provide the AMHTA an annual budget for review and approval. The budget will be submitted timely to meet AMHTA budget process. After approval by AMHTA trustees, submit that approved budget through the standard DNR and Legislative budget process.

Commented [MW(19)]: New section separated from DNR will section

Commented [MW(20)]: new

Commented [MW(21)]: new

- 4) Consult with the AMHTA on a regular basis on significant actions or issues affecting Trust land management and as required by regulation.
- 5) Pursue changes to state regulations, policies and procedures that are needed to ensure consistency with the intentions of the Trust Instrument.
- 6) Maintain and revise the “long-term strategy” for Trust land management, known as the Resource Management Strategy, adopted in accordance with 11 AAC 99.090(c). The long-term strategy will be updated from time to time as made necessary by changing circumstances or in consideration of changes to the AMHTA Asset Management Policy Statement.
- 7) Initiate Trust land and resource management and development policies and procedures and revisions thereto, which are consistent with the Resource Management Strategy that has been adopted in consultation with the Board of Trustees.
- 8) Pursue strategies and priorities for remaining Enabling Act and Settlement land entitlements.
- 9) Provide management and development reports to AMHTA in a form and on a schedule mutually agreed upon between AMHTA and TLO.
- 10) Provide notice to AMHTA of any need for additional financial resources to meet unexpected management needs or development opportunities and request timely review and approval by the AMHTA for the expenditure of such additional resources.
- 11) Maintain an accurate inventory of Trust land and activities pursuant to 11 AAC 99.090(b).
- 12) In accordance with the Trust Instrument, the TLO will assure that Trust lands are managed solely in the best interest of the Alaska Mental Health Trust and its beneficiaries through:
 - i) Protection and enhancement of the long-term productivity of Trust land;
 - ii) Maximizing long-term revenue from Trust land;
 - iii) Encouraging a diversity of revenue-producing uses of Trust land; and
 - iv) Managing Trust land prudently, efficiently and with accountability to the Alaska Mental Health Trust and its beneficiaries.
- 13) Determine the suitability and capability of a commercial recipient party to comply with the terms of agreements; observe any permitting and regulatory processes associated with agreements to assure that the terms of the agreement with the Trust (through the TLO) are in compliance; observe and coordinate with the recipient party throughout the term of the agreement to enforce its terms.
- 14) Consistent with applicable regulations and policies of AMHTA, deposit all revenues derived from Trust land as required by law.
- 15) Interact with and support the AMHTA as necessary to fulfill the duties purposes, and responsibilities of the AMHTA.
- 16) Manage Trust purchased real estate as directed by Trustees.
- 17) Coordinate with DNR regarding the management of their respective lands and to resolve any issues or conflicts.
- 18) The TLO Executive Director will make written determinations of any laws that do not pertain to trust land because they are inconsistent with the Trust Instrument.

Commented [MW(22)]: new

Commented [MW(23)]: added how we relate to AMPS. 20 AAC 40.600 sets AMPS but doesn't directly say DNR is beholding to that.

Commented [MW(24)]: new

Commented [MW(25)]: new

Commented [MW(26)]: new

Commented [MW(27)]: new

Commented [MW(28)]: new

Commented [MW(29)]: new

19) The TLO will primarily work with the AMHTA Communication Chief on external outreach, media responses, and Trust related legislative responses while informing DNR chain of command and appropriate DNR contacts with those responses.

Commented [MW(30)]: new

Other Agreements

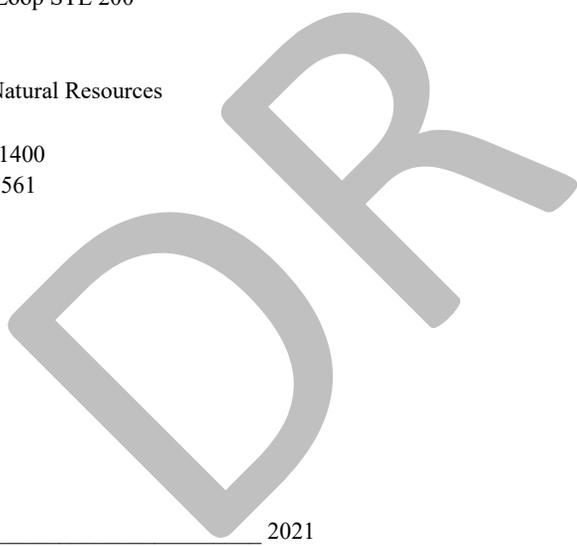
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Commented [MW(31)]: new

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Chief Executive Officer
3745 Community Park Loop STE 200
Anchorage AK 99508

Alaska Department of Natural Resources
DNR Commissioner
550 West 7th Ave, STE 1400
Anchorage AK 99501-3561

Trust Land Office
Executive Director
2600 Cordova STE 201
Anchorage AK 99503



AGREED

Dated this ____ day of _____ 2021
Alaska Mental Health Trust Authority

By: _____
Chair of the Board of Trustees

Dated this ____ day of _____ 2021

Department of Natural Resources

By: _____
Corri Feige
Commissioner

Dated this ____ day of _____ 2021
Department of Natural Resources, Trust Land Office

By: _____
Wyn Menefee
Executive Director

DRAFT

Exhibit C : Draft Revised MOU clean

STATE OF ALASKA
MEMORANDUM OF AGREEMENT
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TRUST LAND OFFICE,
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- 11) DNR Commissioner's Office will consult on matters of Department organization and function as they may impact TLO land management activities.

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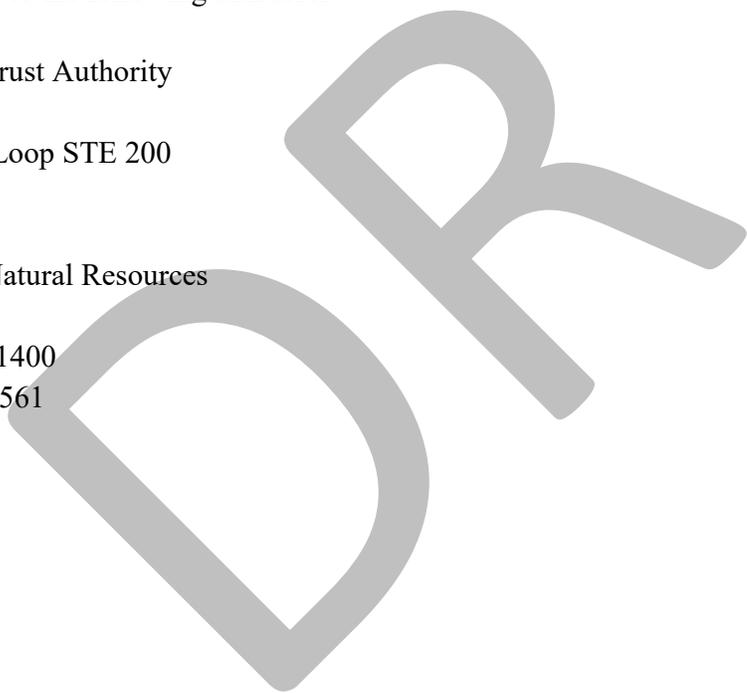
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Alaska Department of Natural Resources
 DNR Commissioner
 550 West 7th Ave, STE 1400
 Anchorage AK 99501-3561

Trust Land Office
 Executive Director
 2600 Cordova STE 201
 Anchorage AK 99503



AGREED

Dated this _____ day of _____ 2021
 Alaska Mental Health Trust Authority

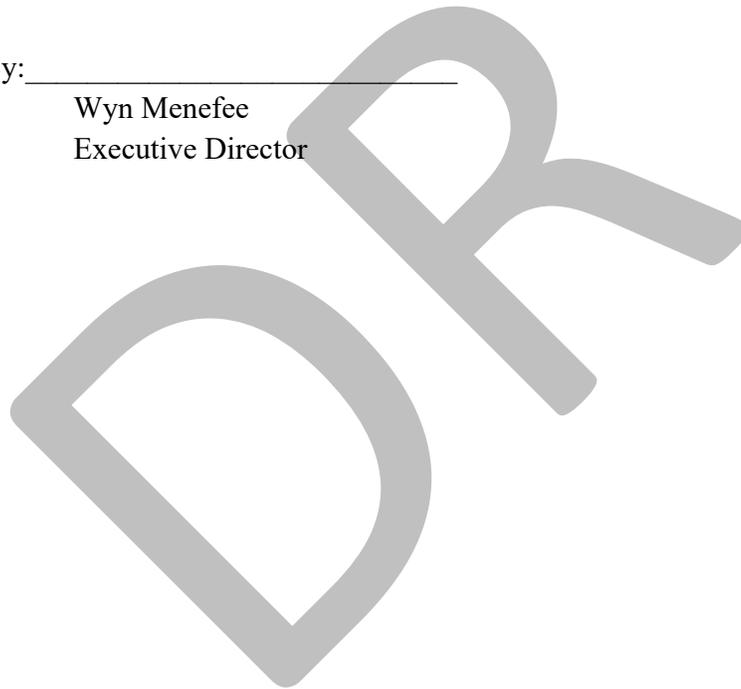
By: _____
 Chair of Board of Trustees

Dated this _____ day of _____ 2021
Department of Natural Resources

By: _____
Corri Feige
Commissioner

Dated this _____ day of _____ 2021
Department of Natural Resources, Trust Land Office

By: _____
Wyn Menefee
Executive Director





To: John Sturgeon, Chair
Resource Management Committee
From: Jeff Green, Southcentral Lands Manager
Date: 7/28/2021
Re: Item A - MHT 9200790 – Disposal of Trust Parcel SM-1024
Fiscal Year: 2022

Consultation

Proposed RMC Motion:

“The Resource Management Committee concurs with the Executive Director’s recommendation to dispose of Trust parcel SM-1024 through a negotiated sale or subsequent disposal.”

Background:

Revenue Projections: \$315,500

Transaction/Resource: The proposed action is to dispose of a portion of one parcel through a negotiated sale to the applicant, Michael S. Brown. In the event the parcel is not sold to the applicant, the parcel may be reoffered in a future land sale, through a competitive or over-the-counter sale, a negotiated sale or through a lease.

Property Description/Acreage/MH Parcel(s): The negotiated sale includes a portion of Trust parcel SM-1024, described as:

T. 006 N., R. 011 W., SEWARD MERIDIAN, ALASKA SECTION 33: THAT PORTION OF W1/2 SW1/4 SE1/4 LYING NORTH OF THE KENAI SPUR ROAD; CONTAINING 5.510 ACRES, MORE OR LESS

The physical location of the parcel is at the corner of Princess Lane and the Kenai Spur Highway within the city limits of the City of Kenai.

General Background: In Early May 2021, the TLO received an application for a negotiated sale. There are no other uses currently authorized on the parcel. There is no history of use or interest in the parcel, most likely due to its challenging zoning restrictions.

Anticipated Revenues/Benefits: Under this proposal, the Executive Director will be able to negotiate and execute a sale of the parcel for \$315,500, which is 30% above the appraised fair market value. The applicant plans to purchase with TLO financing, generating interest income for the term of the contract. This sale would generate revenue from a parcel that otherwise is not producing revenue.

Anticipated Risks/Concerns: There are no significant risks or concerns associated with this negotiated sale. Minor risks include default on the parcel sale by the buyer. This risk will be mitigated through a land sale contract which includes contemporary language to limit risks to the Trust, ensure performance by the buyer, and allow for termination in case of default with retention of the parcel in Trust ownership.

Project Costs: \$0

Other Considerations: N/A.

Due Diligence: TLO staff inspected the parcels on June 22, 2021. The purchase price was determined by an appraisal completed by Black-Smith, Bethard, & Carlson, LLC on May 4, 2021. The appraisal determined the fair market value of the parcel to be \$240,000. The parcel will be sold at a premium of 30% above the appraised value to compensate for not selling the parcel through a competitive process and require reimbursement of the appraisal costs to the TLO. Contract documents were reviewed by the Department of Law, and no separate independent review is required.

Alternatives: The alternative is to hold the parcel for sale competitively or lease sometime in the future. This alternative would delay receipt of revenues from sale of the parcel and could result in additional costs and risks to the Trust without significant increases in value. Historical competitive sales in the City of Kenai area demonstrate that we are unlikely to produce revenue above the negotiated price. Additionally, there has been no expressed interest in the parcel for sale or lease, likely due to the challenging zoning restrictions. The Best Interest Decision will provide the public with opportunity to make competitive offers and nearby residents will be notified to see if there is additional competing interest in purchasing the parcel.

Consistency with the Resource Management Strategy: The proposal is consistent with the “Resource Management Strategy for Trust Land” (RMS), which was adopted January 2016 in consultation with the Trust and provides for the TLO to maximize return at prudent levels of risk, prevent liabilities, and convert nonperforming assets into performing assets. Past experience has demonstrated that it is unlikely that this parcel will appreciate at a rate that would justify holding it for a later sale. It is not cost effective for the Trust to hold this parcel and incur the associated management costs and liabilities.

Trust Land Office Recommendation: The TLO recommends that it is in the Trust’s best interest to offer this parcel by negotiated sale. If not sold, the parcel may be disposed of in the future through the TLO’s land sale programs, negotiated sale, or leased.

Applicable Authority: Alaska Statutes 37.14.009(a), and 38.05.801, and 11 AAC 99.

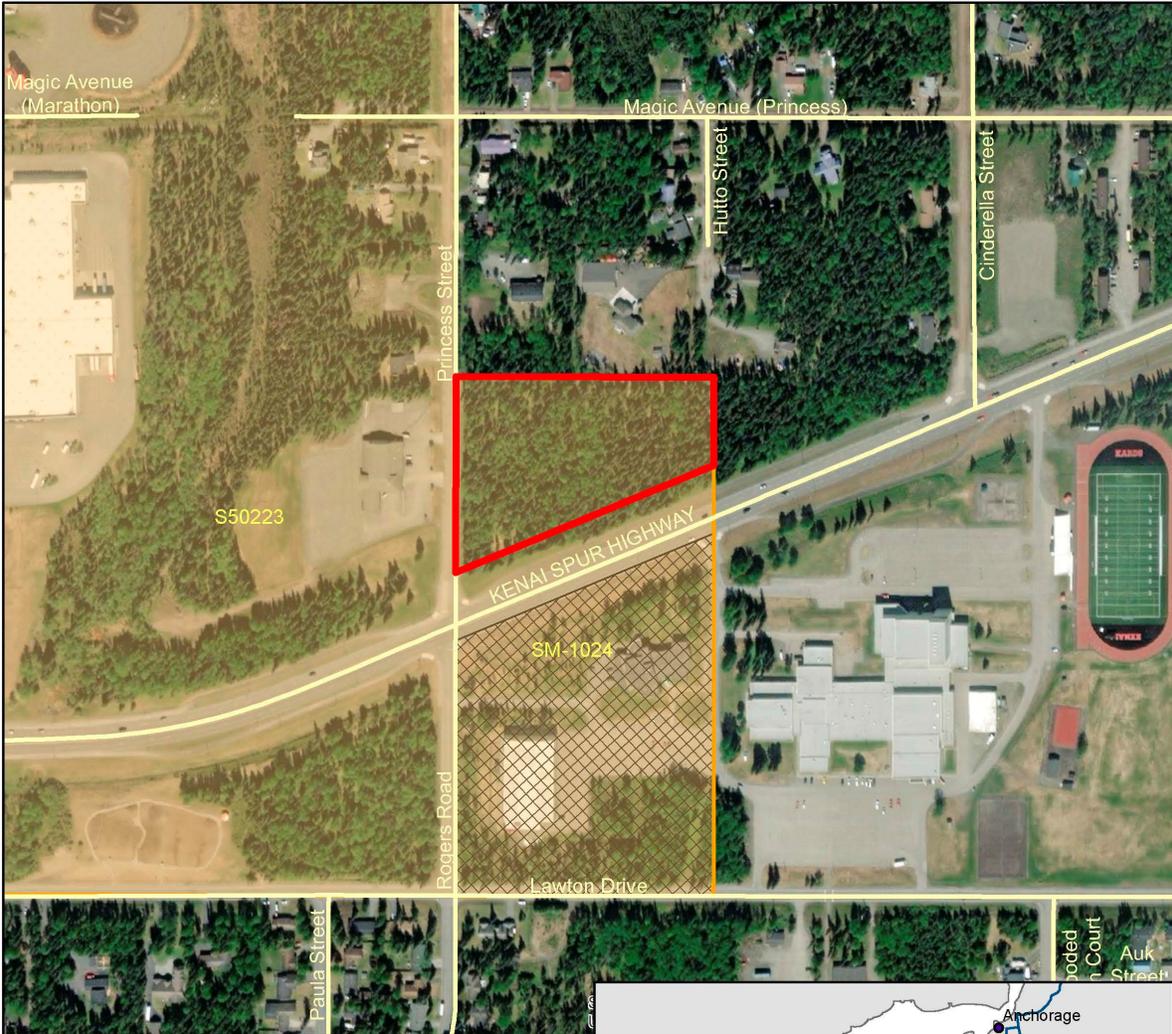
Trust Authority Consultation: This briefing document fulfills the consultation requirements that are applicable to the transaction. In the event that significant changes to the transaction are made necessary by the public notice process, the Trust Authority will be consulted regarding the changes.

Exhibit(s):

Exhibit A: Detailed Location Map

Exhibit B: Zoning Map

Exhibit A: Detailed Location Map



MHT 9200790
A portion of Parcel SM-1024

- MHT 9200790
- Mental Health Parcel
- TLO Land Exchange
- Roads

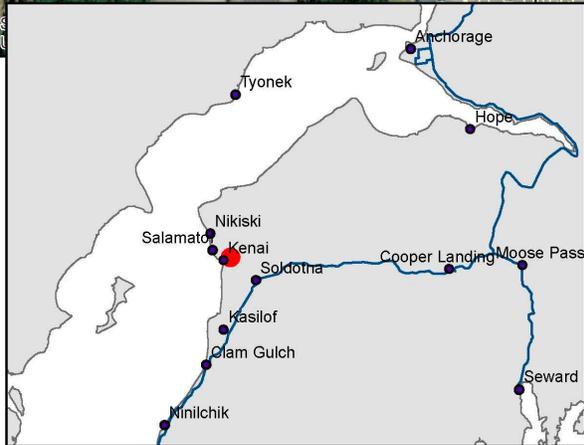


Exhibit B: Zoning Map

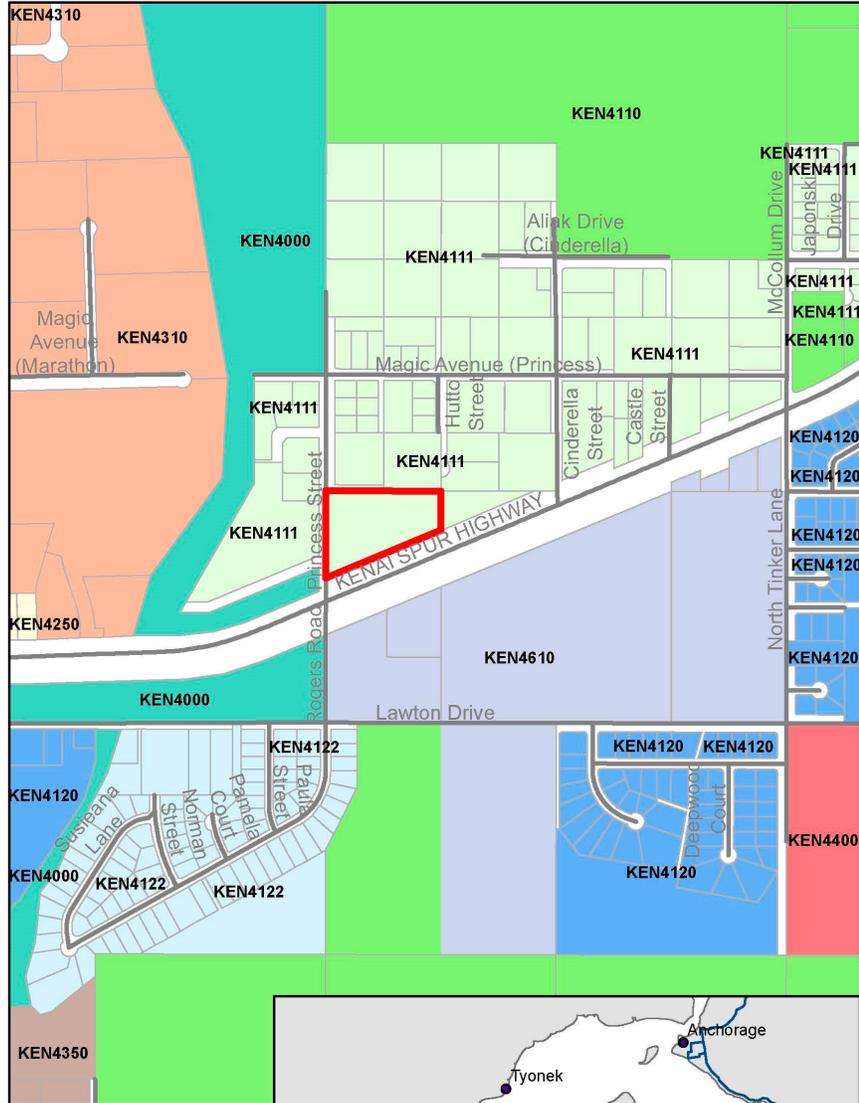


MHT 9200790

Zoning Map

Zoning

- Conservation
- Airport Light Industrial
- Rural Residential
- Rural Residential 1
- Suburban Residential
- Suburban Residential 1
- Suburban Residential 2
- Urban Residential
- Central Commercial
- General Commercial
- Central Mixed Use
- Limited Commercial
- Light Industrial
- Heavy Industrial
- Recreational
- Townsite Historic
- Education



- MHT 9200790
- Roads
- Parcels

